



# PROVIDER INQUIRER

January 1<sup>st</sup>, 2005

[www.michigan.gov/mdch](http://www.michigan.gov/mdch)

## Featured Articles

### Page 1:

- Medicare Buy-In Unit

### Page 2:

- What's New: 835 Implementation Delay
- Paper Claims Processing

### Page 3:

- Problem Rejection Edits
- Medicare/Medicaid Crossover Issues
- State Holidays

## Medicare Buy-In Unit

Many beneficiaries are eligible for Medicare and Medicaid benefits. If a Medicaid beneficiary is eligible for Medicare but has not applied for Medicare coverage, Medicaid will not make any reimbursement for services until Medicare coverage is obtained.

Medicaid beneficiaries may apply for Medicare at any time and are not limited to open enrollment periods. Beneficiaries may be eligible for Medicare if they are:

- 65 years of age or older;
- A disabled adult (entitled to SSI or RSDI due to a disability); or
- A disabled minor child.

Once a Medicaid beneficiary reaches 65 years of age, the Medicaid system automatically codes the system with Medicare coverage. This coding does not guarantee coverage, but shows that the beneficiary is eligible for Medicare Part B coverage.

If a Medicaid beneficiary is eligible for Medicare Part B and does not apply the beneficiary will be responsible for any Medicare covered services. These services will not be covered through Medicaid benefits until Medicare Part B coverage is established.

Many Medicare Part B eligible beneficiaries will decline this coverage due to financial hardships from the monthly premiums. Michigan Medicaid offers assistance through the Medicare Buy-In Unit. Once the Medicaid beneficiary applies for the Medicare Part B coverage, the FIA caseworker can run a Medicare Savings Budget (MSB) to determine Buy-In eligibility. Once eligibility is determined through FIA, the Medicare Buy-In Unit automatically starts the Buy-In process. For retroactive Buy-In or Buy-In questions, see the appropriate numbers below.

Medicare/Medicaid Assistance Hotline  
(Providers Only) Medicare Buy-In Hotline  
(Providers Only) Medicare Buy-In Fax  
(Providers Only) Medicare Buy-In Email  
See FIA website for county office contacts

(800) 803-7174  
(517) 335-5488  
(517) 335-0478  
[owenchr@michigan.gov](mailto:owenchr@michigan.gov)  
[www.michigan.gov/fia](http://www.michigan.gov/fia)



# PROVIDER INQUIRER

January 1<sup>st</sup>, 2005

[www.michigan.gov/mdch](http://www.michigan.gov/mdch)

What's  
New



## 835 Implementation Delay

Michigan Medicaid has announced that the 1232 transaction, MDCH proprietary electronic remittance advice (RA), will be available until April 1, 2005.

Currently the 1232 transaction is available parallel to the 835 transaction, which is the HIPAA compliant electronic RA. The 835 transaction will eventually be the only electronic transaction available for providers.

MDCH imposed the delay in implementation to encourage more providers to sign up and become familiar with the 835 transaction now. There are many changes to the new 835 transaction and it may take some time for providers to become familiar with the new format.

These electronic transactions will not affect the paper RA. There may be some small changes to the paper RA, but the paper RA will still be distributed.

If you are currently submitting claims electronically and would like to receive the RA information back electronically, please sign up for the 835 transaction. Make sure to contact your billing agent or software vendor to make sure they have the capabilities to accept the transaction.

For more information on electronic billing and the 835 transaction, please visit [www.michigan.gov/mdch](http://www.michigan.gov/mdch) >> Providers >> Information for Medicaid Providers >> Electronic Billing.

Any electronic billing questions should be directed to [AutomatedBilling@michigan.gov](mailto:AutomatedBilling@michigan.gov).

## Paper Claims Processing

All providers are experiencing delays within the processing time for Medicaid paper claims. Medicaid is aware of this problem and is working on ways to decrease the waiting period.

Currently it is taking 45 days for a paper claim to be scanned into our system. Therefore you will need to wait 45 days before your claim will appear on a paper RA.

In order to help expedite this process Michigan Medicaid is asking all providers to only send necessary paper claims. Secondary and tertiary claims can be sent electronically to Michigan Medicaid without EOB's attached. Check with your software vendor to get up to date on secondary claims.



# PROVIDER INQUIRER

January 1<sup>st</sup>, 2005

[www.michigan.gov/mdch](http://www.michigan.gov/mdch)

## Problem Rejection Edits

The Provider Inquiry Unit has offered some suggestions of the problems edits that they are receiving calls on. If you find you are receiving many of the edits below, please try to follow these helpful hints.

### Combination #1:

**Edits:** 737R and 042P

**Resolution:** Check the diagnosis codes. Most of the time the diagnosis code is not being reported to the greatest level of specificity. Check the ICD-9 Manual for the correct codes on your date of service. If a digit is missing, change to the appropriate code and resubmit. If the claims are being billed electronically and the correct diagnosis codes are used, check with the software vendor to make sure they are not dropping a digit on the diagnosis code.

### Combination #2:

**Edits:** 936 and 933

**Resolution:** This is either a non-emergent admission without a PACER number present on the claim or an emergent admission without a "Y" for the EMG code. Please correct the problems with the claim and resubmit.

## Medicare/Medicaid Crossover Issues

Since pay cycle 48, December 1, 2004, there has been problems with the Medicare/Medicaid Crossover Claims.

The Medicaid Provider ID's that providers are submitting directly to WPS, are not making it to the Michigan Medicaid system. Therefore, Medicaid is unable to process or provide proper documentation for these claims.

Members from Medicaid are working directly with WPS to try to resolve this issue. This issue includes all Medicare/Medicaid Crossover claims. If you were at one time submitting claims that were being adjudicated within this process, you may notice that it has stopped.

Michigan Medicaid is aware of how beneficial this process can be to all providers. Medicaid hopes to have this process working properly as soon as possible.



The State of Michigan offices will be closed:  
Monday, January 17, 2005 – Martin Luther King, Jr. Day